

Choice Training 8-5: DPI Income Determination Method

1. 5. DPI Income Determination Method

1.1 Training 8-5:



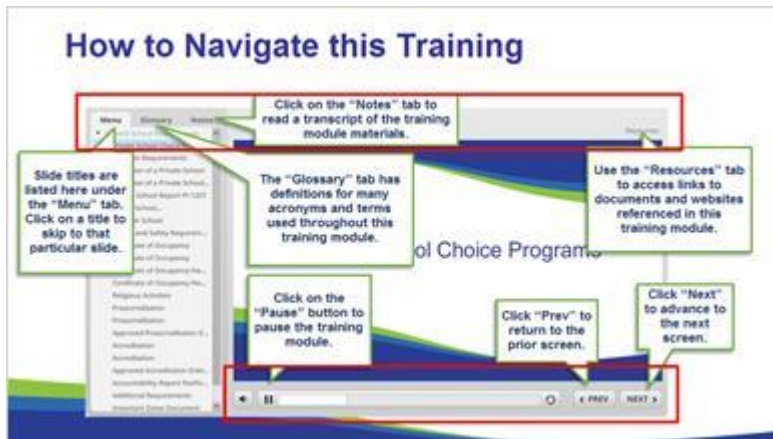
Notes:

Welcome to the Wisconsin Department of Public Instruction's training module on the Private School Choice Programs. We will refer to the Private School Choice Programs as "Choice" or "Choice program" throughout this training. The Choice program is governed by Wis. Stat. §§ 119.23 and 118.60, as well as Wis. Admin. Codes ch. PI 35 and 48. Provisions of this training module are subject to statutory and rule changes.

This training module will provide more details about the DPI income determination method.



8-5.2 How to Navigate this Training Module



Notes:

Before we start, here are some tips and tools you may wish to use when viewing this training.

When listening to this training please note the buttons at the top of the training screen. Titles to all of the slides in this training are listed under the “Menu” tab on the top left of the training screen. You may watch the training in its entirety, or you may skip to a specific slide by clicking on the title of a particular slide.

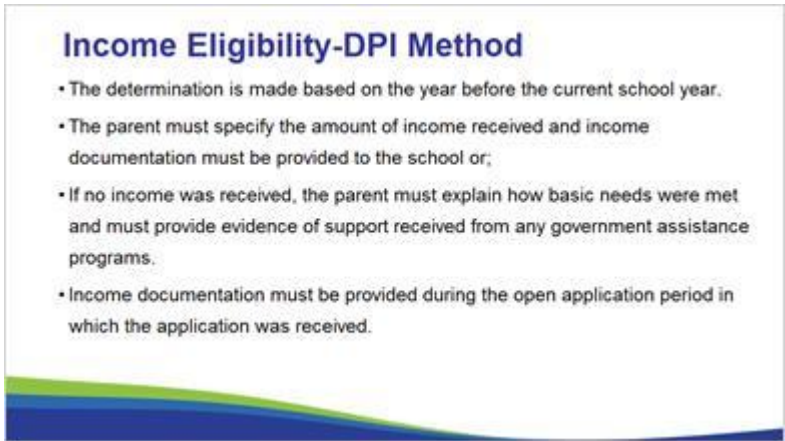
Acronyms and terms that are used throughout this training are defined under the “Glossary” tab on the upper left side of the training screen. If you have any questions about a particular acronym or term that is used in this training, click on the “Glossary” tab to read the definition of that acronym or term.

The “Notes” tab has a transcript of the training materials as they are presented. If you wish to read along with the training, please click the “Notes” tab on the upper left side of the training screen.

We have also posted resources related to this training which can be found under the “Resources” link on the upper right hand side of the training screen.

Next please note the buttons at the bottom of the training screen. If you want to pause on or during a specific slide, please hit the “Pause” button. Clicking the “Prev” button will allow you to return to the previous slide and clicking the “Next” button will allow you to advance to the next slide, if you wish to advance sooner than the auto-timing.

8-5.3 Income Eligibility-DPI Method



Income Eligibility-DPI Method

- The determination is made based on the year before the current school year.
- The parent must specify the amount of income received and income documentation must be provided to the school or;
- If no income was received, the parent must explain how basic needs were met and must provide evidence of support received from any government assistance programs.
- Income documentation must be provided during the open application period in which the application was received.

Notes:

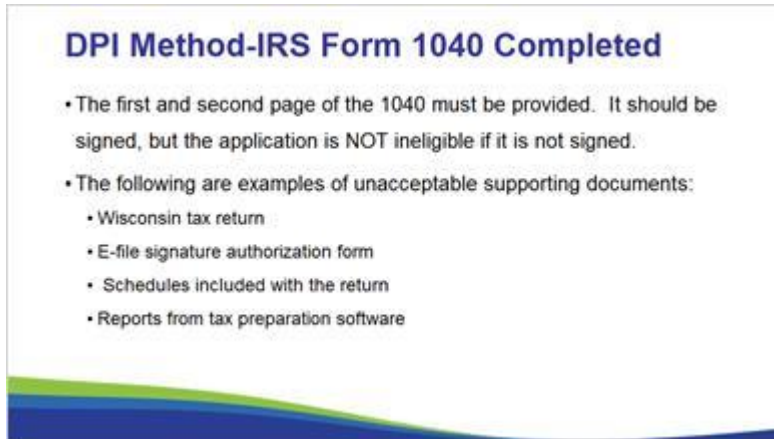
For purposes of this training, parent will refer to either the parent or guardian of the student.

The DPI income eligibility method determination is based on the year before the current school year. For example, if the school year is 2017-18, the basis for the income would be the 2016 calendar year.

If the parent has income, then the parent must specify the amount of income received and provide the required income documentation to each school they apply to. If the parent specifies that no income was received, the parent must explain how basic needs were met and provide evidence of support received from any government assistance programs.

Income documentation must be provided during the open application period in which the application was received.

8-5.4 DPI Method-IRS Form 1040 Completed



Notes:

The most common form of documentation that the parent will select to support their income is the parent's Federal tax return. If the parent provides an IRS Form 1040, both the first and second page of the IRS Form 1040 must be provided to the school. The tax form should be signed, but the application is NOT ineligible if the 1040 is not signed.

Examples of documents that are **not acceptable** as supporting documentation if the parent indicated a 1040 was completed in the online parent application include: a Wisconsin tax return, E-file signature authorization form, schedules included with the tax return or reports from tax preparation software.

8-5.5 DPI Method-No IRS Form 1040 Filed

DPI Method-No IRS Form 1040 Filed	
• If no 1040 has been filed, the parent must indicate all income received:	
Income Type	School Required Support
W-2 tax form or final wage earnings statement 1099 form	Obtain the form/statement indicated. The amount should match the amount entered into the online parent application.
Cash income received	The school is not required to obtain documentation from the parent to support this.
Other Income	Review the description to determine what the parent indicated on the application. The parent must provide support for the income.

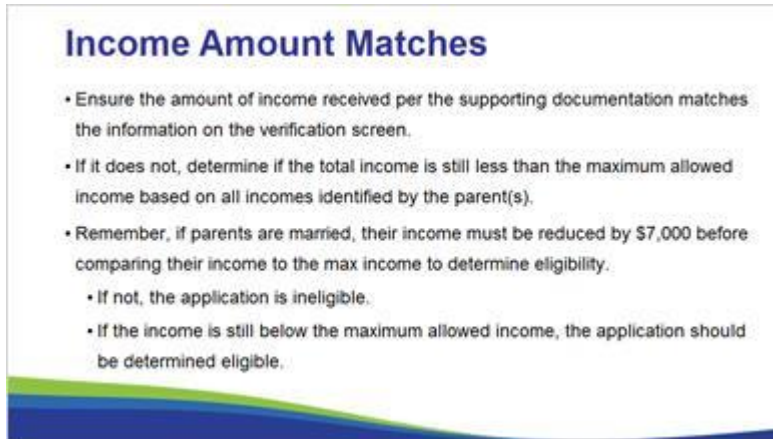
Notes:

If the parent has not filed an IRS Form 1040, then the table on the screen shows by income type what support the parent is required to provide to the school. If the parent identifies a W-2 tax form, final wage earning statement or 1099 form, then the parent is required to provide the school with the form/statement indicated. The amount on the form provided should match the amount the parent entered into the online parent application.

If the parent indicates that cash income was received, the school is not required to obtain documentation from the parent to support this. The parent will have answered questions about this cash income already in the online parent application.

If other income is selected, the school should review the description to determine what the parent indicated on the application. The parent must provide support for the other income and the amount should match the amount the parent entered into the online parent application.

8-5.6 Income Amount Matches



Income Amount Matches

- Ensure the amount of income received per the supporting documentation matches the information on the verification screen.
- If it does not, determine if the total income is still less than the maximum allowed income based on all incomes identified by the parent(s).
- Remember, if parents are married, their income must be reduced by \$7,000 before comparing their income to the max income to determine eligibility.
 - If not, the application is ineligible.
 - If the income is still below the maximum allowed income, the application should be determined eligible.

Notes:

The school needs to ensure that the amount of income received per the supporting documents the parent provides matches the information on the verification screen. If the amounts do not match, determine if the total income is still less than the maximum allowed income. If the pupil is still eligible, based on the correct income amount, the school may still accept the application.

If the income is wrong and it is before the end of the open application period in which the application was received, the parent should correct the amount in the parent application so that the amount in the parent application is correct.

The income limits for each program are included in the Choice Student Application webpage. A link to this webpage is available in the Resources in the top right corner of the training.



8-5.7 DPI Method-No Income

DPI Method-No Income

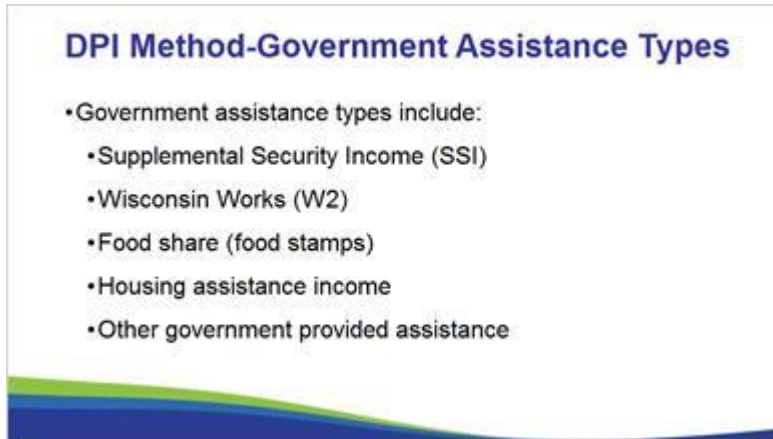
- If the parents did not file a 1040 or have any income, they will need to indicate what, if any, government assistance they received in the prior year.
 - Proof of prior-year participation in government assistance programs that has the parents name must be provided to the school.
- Parents must also provide a written explanation of how basic needs (food, clothing, and shelter) were met in the prior year.
 - The school must review these explanations to determine they are sufficient.
- If the explanations indicate income was received, the application must be determined ineligible since income needs to be included in the application.

Notes:

If the parents did not file an IRS form 1040 or have any income, the parent needs to indicate if they received any government assistance in the prior year. The parent must provide proof of prior-year participation in government assistance programs to the school. The government assistance documentation must have the parents name on the documentation and be for the type of government assistance identified by the parent in the online parent application.

The parents must also provide an explanation in the online parent application of how basic needs such as food, clothing and shelter were met in the prior year. The school must review these explanations to determine if the explanation is sufficient. If the explanations indicate that income was received and it is before the end of the open application period, the parent can go back into the online parent application and update it for the correct information. The parent would then need to provide the appropriate support. If the parent does not correct this during the open application period, then the application must be determined ineligible since income should have been included in the application.

8-5.8 DPI Method-Government Assistance Types



Notes:

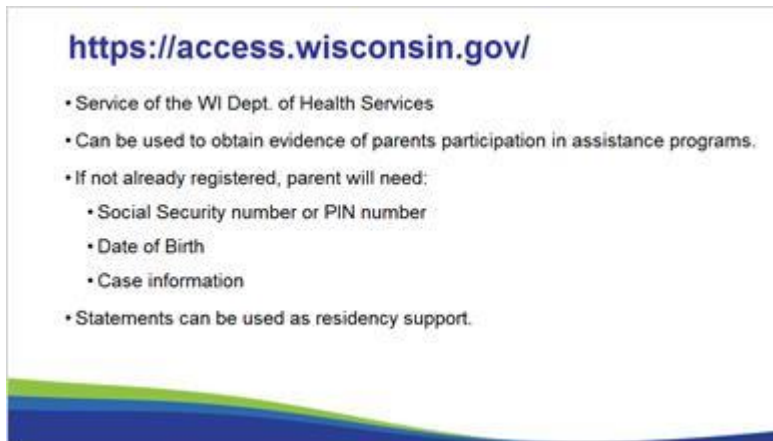
If the application has no income, there are various types of government assistance that may be identified including Supplemental Security Income (SSI), Wisconsin Works (W2), Food Share (food stamps), Housing Assistance Income, and various other government provided assistance.

It is important for the school to obtain the correct documentation as there can be confusion on the names of the various programs. For example, Supplemental Security Income (SSI) is often confused with Social Security Benefits (SSB). SSI is a program that is strictly need-based, according to income and assets, and has nothing to do with work history, but strictly with financial need. This is classified as government assistance for the DPI income method. Social Security Benefits or SSB are considered income for the DPI income method.

The parent must be able to provide documentation for the government assistance received showing the parent received it in the prior year.

A current statement only showing the parent gets government assistance at the time they apply to the Choice program would not be sufficient.

8-5.9 <https://access.wisconsin.gov/>



Notes:

There is an online service of the Wisconsin Department of Health Services that can be used to obtain evidence of parents participation in assistance programs for income documentation purposes. If the parent is not already registered, they can register using a social security number or PIN, date of birth and case information.

As a reminder, the documentation must show they received the assistance in the prior year.

Statements can also be used as the required residency documentation if it meets the residency requirements.

8-5.10 Kinship/Foster Care

Kinship/Foster Care

- Kinship/foster parent must indicate in the online parent application that the student is in kinship/foster care.
- Kinship/foster parent must provide the school with support that the pupil is in kinship care/foster care.
- The DPI income method must be used.
- Student is considered a family size of 1 and is income eligible for the program.

Notes:

If the parent specifies the student is in kinship or foster care in the online parent application, the kinship/foster parent must provide the school with support that the pupil is in kinship or foster care. The DPI method must be selected for income in the online parent application. The family size is considered one and the application is income eligible for the program.

8-5.11 Kinship/Foster Care Corrections

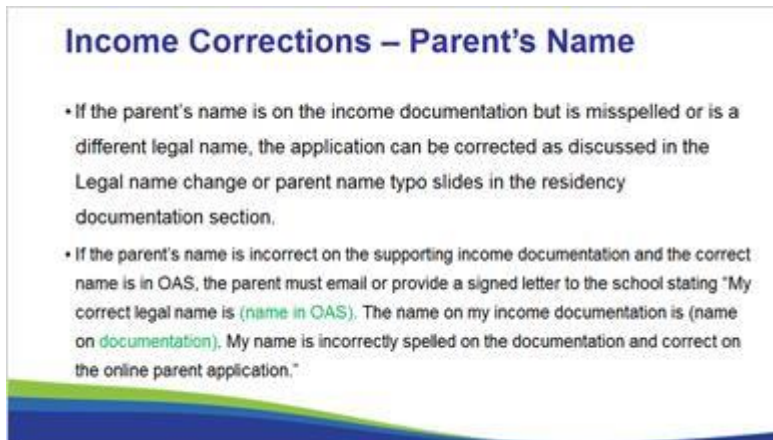
Kinship/Foster Care Corrections

- Kinship/foster parent must provide the school with support that the pupil is in kinship care/foster care.
 - The application should not be determined eligible unless the school has the kinship/foster care documentation.
- If after the open application period, the school determines that they received the wrong documentation during the open application period, the school may obtain the required documentation from the kinship/foster parent.
- If the auditor identifies the school does not have the proper documentation, the school must obtain the proper documentation by the correction due date.

Notes:

Evidence of kinship/foster care must be provided by the parent. If documentation is not provided, the application should be determined ineligible. If after the open application period, the school determines that they received the wrong documentation during the open application period, the school may obtain the required documentation from the kinship/foster parent. If during the Enrollment Audit, the auditor identifies that the school did not receive the proper documentation, the school may obtain the proper documentation by the correction due date which corresponds to the due dates for the Enrollment Audits.

8-5.12 Income Corrections – Parent’s Name



Income Corrections – Parent’s Name

- If the parent’s name is on the income documentation but is misspelled or is a different legal name, the application can be corrected as discussed in the Legal name change or parent name typo slides in the residency documentation section.
- If the parent’s name is incorrect on the supporting income documentation and the correct name is in OAS, the parent must email or provide a signed letter to the school stating “My correct legal name is (name in OAS). The name on my income documentation is (name on documentation). My name is incorrectly spelled on the documentation and correct on the online parent application.”

Notes:

There are situations where there are allowable corrections related to income. If the parent’s name is misspelled or a different legal name on the income documentation, the application may be correctable. For a legal name change, the parent must provide additional documentation to verify their legal name. The documentation can include a birth certificate, marriage certificate, divorce decree, certificate of naturalization or a certificate of citizenship.

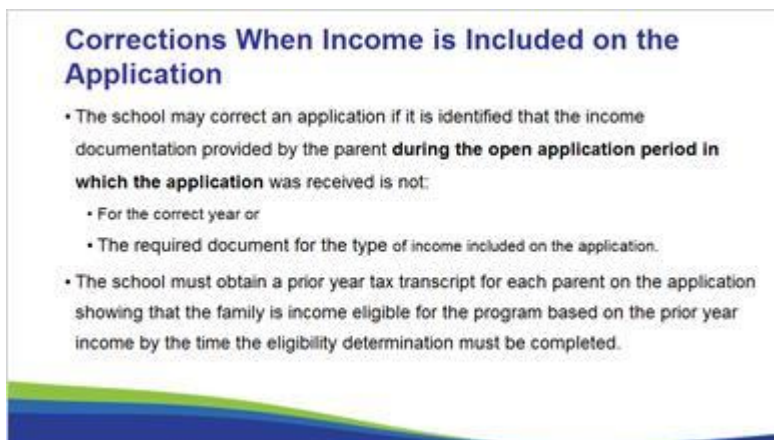
Similar to the residency changes, if the parent’s name is incorrect on the supporting income documentation and the correct name is in OAS, the parent must email or provide a signed letter to the school stating “My correct legal name is (name in OAS). The name

on my income documentation is (name on documentation). My name is incorrectly spelled on the documentation and correct on the online parent application.”

If the name on the income documentation provided is in someone else’s name, the application is not eligible.

See additional information in the training for Residency Requirements on how parent name corrections may be made.

8-5.13 Corrections When Income is Included on the Application



Notes:

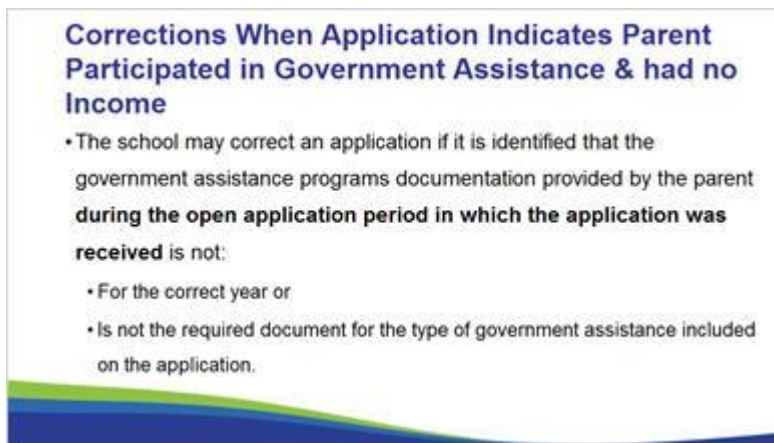
In certain situations, the school may be able to correct an application if it is determined that the income documentation that was provided by the parent during the open application period in which the application was received was not for the correct year or the required document for the type of income included on the application.

The school must ask the parent to obtain a prior year tax transcript. The tax transcript provided must include each parent on the application. The information on the tax transcript must be used by the school to determine if the family is income eligible for the program. The school must obtain the tax transcript and determine if the parent is eligible based on it.

Generally, the school should review applications as the applications are received to

determine that the required documentation was provided. The corrections options provide the school an opportunity to correct the application if an issue is missed during the open application period in which the application is received.

8-5.14 Corrections When Application Indicates Parent Participated in Government Assistance & had no Income



Corrections When Application Indicates Parent Participated in Government Assistance & had no Income

- The school may correct an application if it is identified that the government assistance programs documentation provided by the parent **during the open application period in which the application was received** is not:
 - For the correct year or
 - Is not the required document for the type of government assistance included on the application.

Notes:

In certain situations, the school may be able to correct an application if it is determined that the government assistance programs documentation that was provided by the parent during the open application period in which the application was received was not for the correct year or the required document for the type of government assistance included on the application.

8-5.15 Corrections When Application Indicates Parent Participated in Government Assistance & had no Income

Corrections When Application Indicates Parent Participated in Government Assistance & had no Income

The school must complete one of the following by the time the eligibility determination must be completed:

1. Obtain a prior year tax transcript showing the parent did not receive any income in the prior year.
2. Obtain both of the following:
 - a. A prior year tax transcript for each parent on the application showing a verification of non-filing.
 - b. Correct documentation showing that the parent received all of the government assistance in the prior year that is identified on the application.

Notes:

The school must ask the parent to obtain a prior year tax transcript. The tax transcript provided must include each parent on the application.

The school must complete one of the following by the time the eligibility determination must be completed

- Obtain a prior year tax transcript that shows that the parents filed and did not receive any income during the prior year.
- Obtain a prior year tax transcript showing a verification of non-filing. In addition, the parent must provide to the school the correct documentation showing that the parent received all of the government assistance in the prior year that is identified on the application.

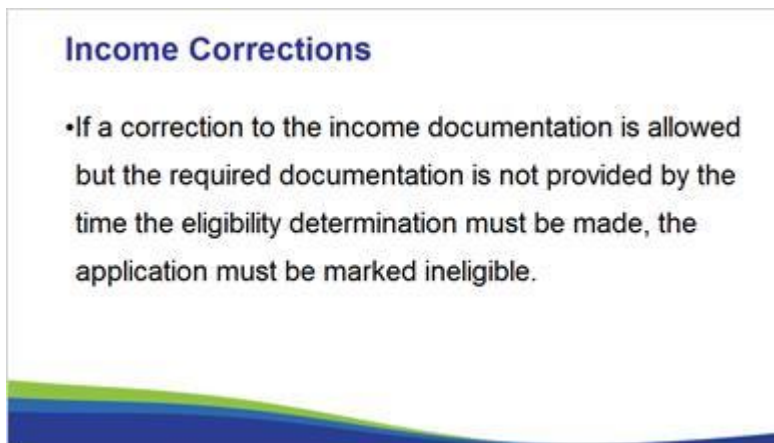
To obtain a tax transcript please go to the IRS website and follow the instructions. The parent can get the transcript either online or by mail. The parent must provide a copy of the transcript or have it provided directly to the school. A link to the IRS website is included in the resource tab in the opt right of the training screen.

This needs to be completed by the time the eligibility determination must be completed

by the school.

Again, this correction option is provided in case a school doesn't identify an error until after the open application period. Schools should try to ensure that application is eligible by the end of the open application period.

8-5.16 Income Corrections



Income Corrections

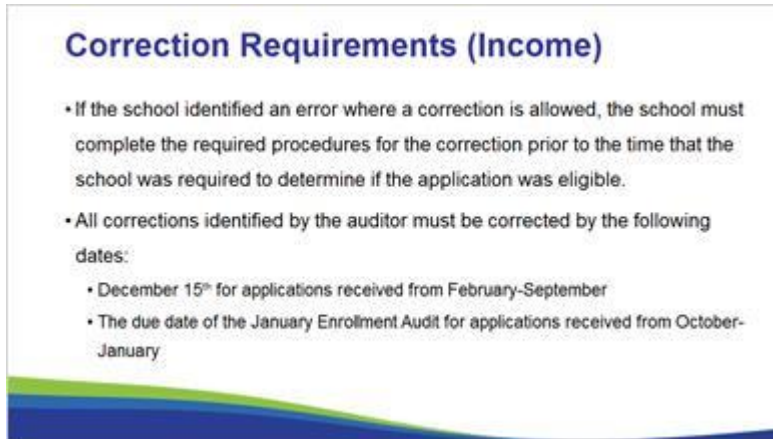
- If a correction to the income documentation is allowed but the required documentation is not provided by the time the eligibility determination must be made, the application must be marked ineligible.

Notes:

If the application is correctable, but the required documentation is not provided by the time the eligibility determination must be made, the application must be marked ineligible by the school.

If the school has an additional open application period, the student can reapply to the school.

8-5.17 Correction Requirements (Income)



Correction Requirements (Income)

- If the school identified an error where a correction is allowed, the school must complete the required procedures for the correction prior to the time that the school was required to determine if the application was eligible.
- All corrections identified by the auditor must be corrected by the following dates:
 - December 15th for applications received from February-September
 - The due date of the January Enrollment Audit for applications received from October-January

Notes:

For school identified errors that are correctable, the school must complete the required correction procedures before the school is required to determine if the application is eligible.

All corrections by the auditor must be completed by the due dates for the Enrollment Audits. For applications received from February - September, the due date is December 15. For applications received from October - January, the due date is May 1 for schools participating in the RPCP or WPCP and June 30 for schools only participating in the MPCP. If a school participates in the MPCP and the RPCP or WPCP, the Enrollment Audit for all programs is due on May 1.



Notes:

If you have any questions about the information discussed in this training, please see the Private School Choice Programs homepage. The left menu bar of the Private School Choice Programs homepage has resources for both schools and parents.

Choice schools may also contact the Choice team at privateschoolchoice@dpi.wi.gov, or call the toll-free number at 1-888-245-2732, extension 3.